

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 7

March 26, 2013

**SUMMARY OF BILL:** Prohibits any state government entity, including institutions of higher education, from compiling and maintaining data based upon race, gender, or ethnicity, unless such records are kept due to federal law or court order. All entities will be required to identify statutory or regulatory language that results in the retention of this information. The entity will then be required to submit proposed legislation by January 14, 2014, that would eliminate that language.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - \$86,300/One-Time**

**Other Fiscal Impact –** The provisions of the bill could result in a significant loss of federal funding to the state. State entities may be restricted in their ability to obtain and qualify for multiple types of grants, financial aid, assistance, and matching funds. This impact is dependent on multiple unknown factors and cannot be precisely determined. However, the recurring decrease in federal funding to the state is reasonably estimated to exceed \$100,000,000 per year.

**Assumptions:**

- There will be a one-time increase in state expenditures of \$86,300 for the Department of Finance and Administration to make the programming changes to Edison.
- The bill may hinder the development and application of state programs that target certain segments of the population for safety and health programs, and may significantly reduce federal funding received by the state.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director